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UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

IN RE JUUL LABS, INC., MARKETING,  
SALES PRACTICES, AND PRODUCTS  
LIABILITY LITIGATION

This Document Relates to:  
  
CLASS ACTIONS

CASE NO. 19-md-02913-WHO

**CLASS PLAINTIFFS' STATUS UPDATE  
AND REQUEST FOR ORDER  
REGARDING ADMINISTRATION OF JLI  
AND ALTRIA CLASS ACTION  
SETTLEMENTS**

HON. WILLIAM H. ORRICK III

1 The Court granted final approval of the Class Action Settlements with JLI and Altria. Dkts.  
2 4138, 4212. After Class Counsel and the Settlement Administrator, Epiq, completed the claims review  
3 process, the Court authorized distribution of the Net Settlement Fund to 842,004 valid claimants. Dkt.  
4 4326. Class Counsel provides this update on the distribution process and settlement administration  
5 costs, and requests the Court's approval for Epiq to contact claimants via text message to facilitate the  
6 completion of pending payments.

7 **Distribution of Settlement Funds.** Epiq began distributing funds on October 18, 2024. Due to  
8 the size of the settlement payments to claimants—many of which ranged from several hundred to  
9 several thousand dollars for individual class members—the class settlement distribution has garnered  
10 significant media attention. Articles concerning the settlement and size of the payments have appeared  
11 in the New York Times, Forbes, NBC, ABC, the Washington Post, the BBC, the Guardian, Slate, and  
12 MarketWatch. The settlement distributions have also received significant attention on social media sites  
13 used by class members, such as TikTok and Snapchat.

14 As a result of this unusual level of attention and the response from the class, both Epiq and  
15 Class Counsel have received a high volume of inquiries from class members regarding their claims and  
16 from individuals who either did not submit a claim previously or whose claim was rejected through the  
17 Court-approved process. For example, in just over a month since distribution began, Epiq has received  
18 30,460 emails from purported class members, and the toll-free hotline for the settlement has received  
19 66,180 calls, with 18,878 calls passed to a live agent. The volume of inquiries appears to have reached  
20 its peak, and both Class Counsel and Epiq have been working diligently to respond to these inquiries  
21 and make information accessible to class members, and will continue to do so.

22 To date, 83% of payments (695,185 of 842,004) have been completed, and 17% (or 146,534)  
23 remain pending. Generally, pending payments include paper checks that have not yet been cashed,  
24 certain digital payments that will expire and be returned to the Settlement Fund if not claimed within a  
25 specified time, or digital payments that failed and require follow up with the class member to complete.

26 **Text Messages to Certain Claimants.** Epiq has been conducting outreach to class members via  
27 email as needed to attempt to address pending payments, using both the contact email addresses  
28 provided on each claimant's claim form or any alternative email address provided. But to maximize the

1 number of valid claimants who can be successfully contacted to complete payment distribution, Epiq  
2 and Class Counsel request the Court's approval to contact claimants via text message. Claimants were  
3 generally advised that the Settlement Administrator would contact them about their claims if needed  
4 using the contact information they provided, but were not specifically informed that such  
5 communications might include text messages. Therefore, Class Counsel and Epiq agree that it would  
6 only be appropriate to send text messages to claimants with the Court's approval and at the direction of  
7 the Court.<sup>1</sup>

8 **Administration Expenses.** Class Counsel also provides the following update and request for  
9 approval to pay additional settlement administration expenses.

10 The Court pre-authorized payment of up to \$6,000,000 in administration costs and directed  
11 Class Counsel to seek approval of payments above that amount with supporting documentation. *E.g.*,  
12 Dkt. 4212 (Altria Final Approval) at 16. Epiq has submitted invoices to Class Counsel for settlement  
13 administration costs through October 2024, totaling \$6,129,900.22. To date, Class Counsel has  
14 authorized payments to Epiq from the Settlement Fund in the amount of \$6,000,000. The invoices that  
15 brought the total cost figure above the pre-approved amount are attached as Exhibit A (October costs  
16 for JLI settlement) and Exhibit B (October costs for Altria settlement). Shared administration expenses  
17 are split between the two invoices.

18 In this case, as the Court will recall, Epiq has committed to limit its costs for settlement  
19 administration to \$7.5 million. Dkts. 4218; 4218-1 ¶ 48. Based on the response to the settlement  
20 distributions and the high volume of outreach from class members since distribution began, Epiq is now  
21 more certain that it will likely incur the full \$7.5 million in administration costs through the final  
22 conclusion of the settlements, including its efforts to address pending payments, contact center and  
23 analyst costs for further inquiries and contested claims, and potential additional distribution costs, if a  
24 second distribution is appropriate. For example, the October invoices reflect over 7,300 hours of IVR  
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26 <sup>1</sup> The Court previously authorized the use of text messages to a specified subset of claimants during the  
27 verification process. Dkt. 4224. Because here the population sought to be contacted and the purpose of  
28 the contact differ from that prior authorization, out of an abundance of caution Class Counsel and Epiq  
seek separate approval to contact claimants regarding settlement payments.

usage for the toll-free hotline and over 2,700 hours of Contact Center agent time, nearly all of which was incurred after the distribution of funds began on October 18, 2024. Class Counsel believes these costs were reasonably incurred.

Class Counsel is mindful of the Court's previous directive for ongoing review of invoicing exceeding the pre-approved amount, and at the same time, it is now evident that additional expenses will be reasonably incurred in the near term to address pending payments and class member inquiries. Class Counsel thus now seek the Court's approval for full payment of the October invoices of \$129,900.22 above the pre-authorized amount, with additional invoices to be submitted periodically going forward—or, alternatively, if the Court would prefer to approve costs up to \$6,500,000 now, Class Counsel will be prepared to submit a more comprehensive account of the settlement administration expenses in a few months.

Class Counsel will continue to work with Epiq to complete the administration of the Settlements in an efficient and cost-effective manner, and will, of course, only seek authorization for payment for costs that are actually incurred by Epiq and reasonably spent.

A proposed order is submitted with this request.

Dated: December 2, 2024

Respectfully submitted,

By: /s/ Dena C. Sharp

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**CERTIFICATE OF SERVICE**

I hereby certify that on December 2, 2024, I caused the foregoing document to be electronically filed with the Clerk of the Court using the CM/ECF system, which will automatically send notification of the filing to all counsel of record.

/s/ Dena C. Sharp  
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